

To: 'chris@youtube.com' <chris@youtube.com>; 'Chad Hurley' <chad@youtube.com>
From: Brent Hurley <brent@youtube.com>
Cc:
Bcc:
Received Date: 2006-02-17 07:47:00 CST
Subject: RE: Board Preso

I swapped out the financials projection graph with updated numbers.

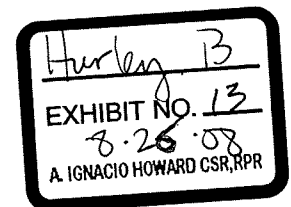
From: Chris Maxcy [mailto:chris@youtube.com]
Sent: Thursday, February 16, 2006 9:29 PM
To: 'Chad Hurley'; 'Brent Hurley'
Subject: Board Preso

Attached.

-C

Attachments:

Board Update BD Plan 2 17 06.ppt



Highly Confidential

G00001-00762173



Board Meeting
February 17, 2006

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Agenda



- **Administrative** (15 minutes)
- **Financials** (45 minutes)
- **Metrics** (15 minutes)
- **Product Update** (30 minutes)
- **Engineering Update** (20 minutes)
- **Marketing Update** (20 minutes)
- **Bus Dev Update** (20 minutes)

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Administrative: New Hires



- VP Marketing & Programming – Kevin Donahue
- Sr. Director Marketing – Julie Supan
- Office Manager - Shannon Hermes
- Lead Interface Designer – Christopher Miller
- Senior Interface Designer – Hong Qu
- Senior Interface Designer – Carol Gundy

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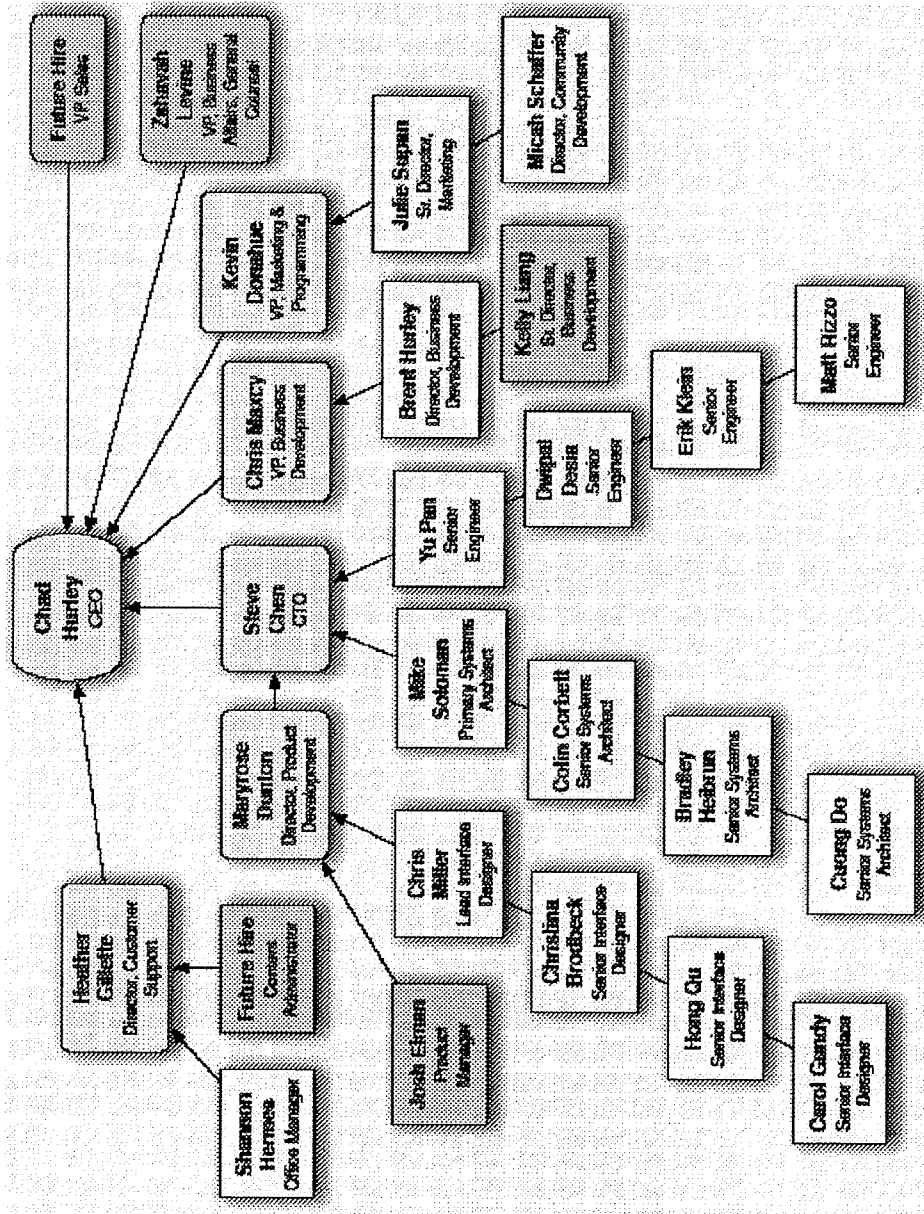
Administrative: Key Open Positions



- VP Sales
- VP Legal/General Counsel
- VP Product
- Content Manager
- Ad Operations Director/Manager

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Administrative: Org. Chart



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Financials



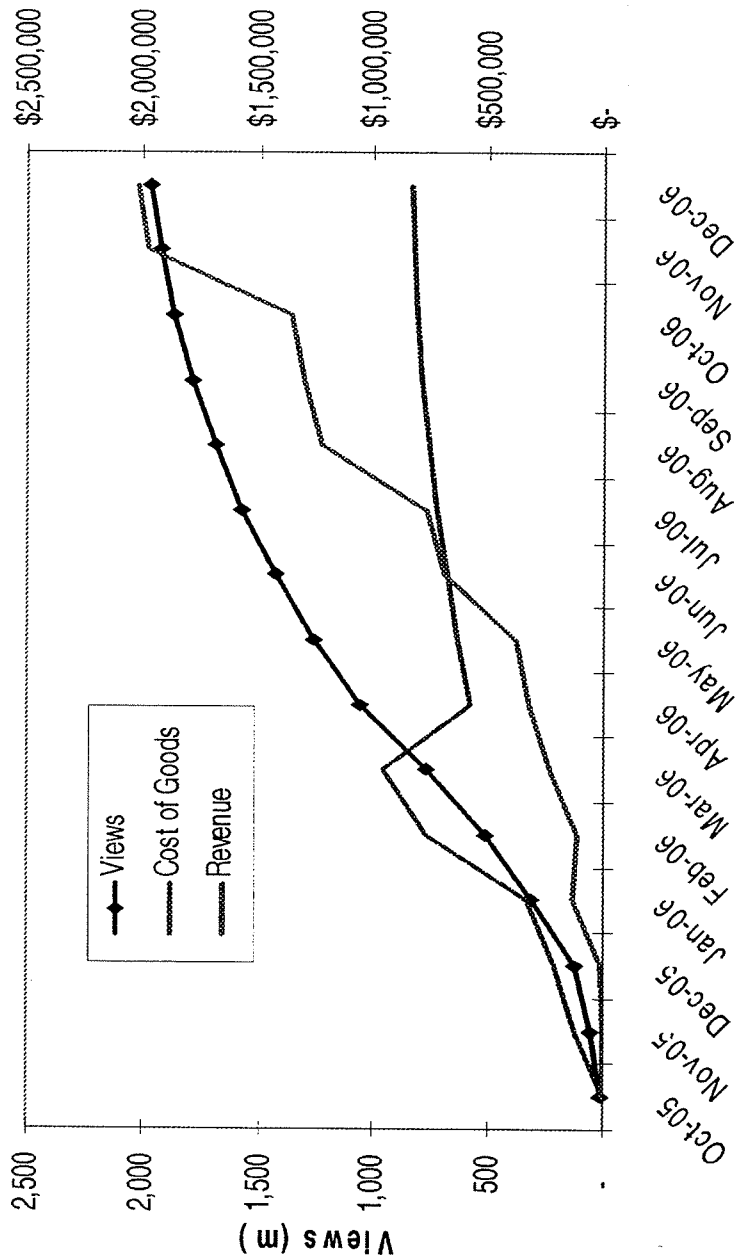
- Revenue Projections
- Cost Projections
- Balance Sheet
- Equipment Loan
- Series B

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Financials



Projections: Views, Revenue & Cost of Goods Sold

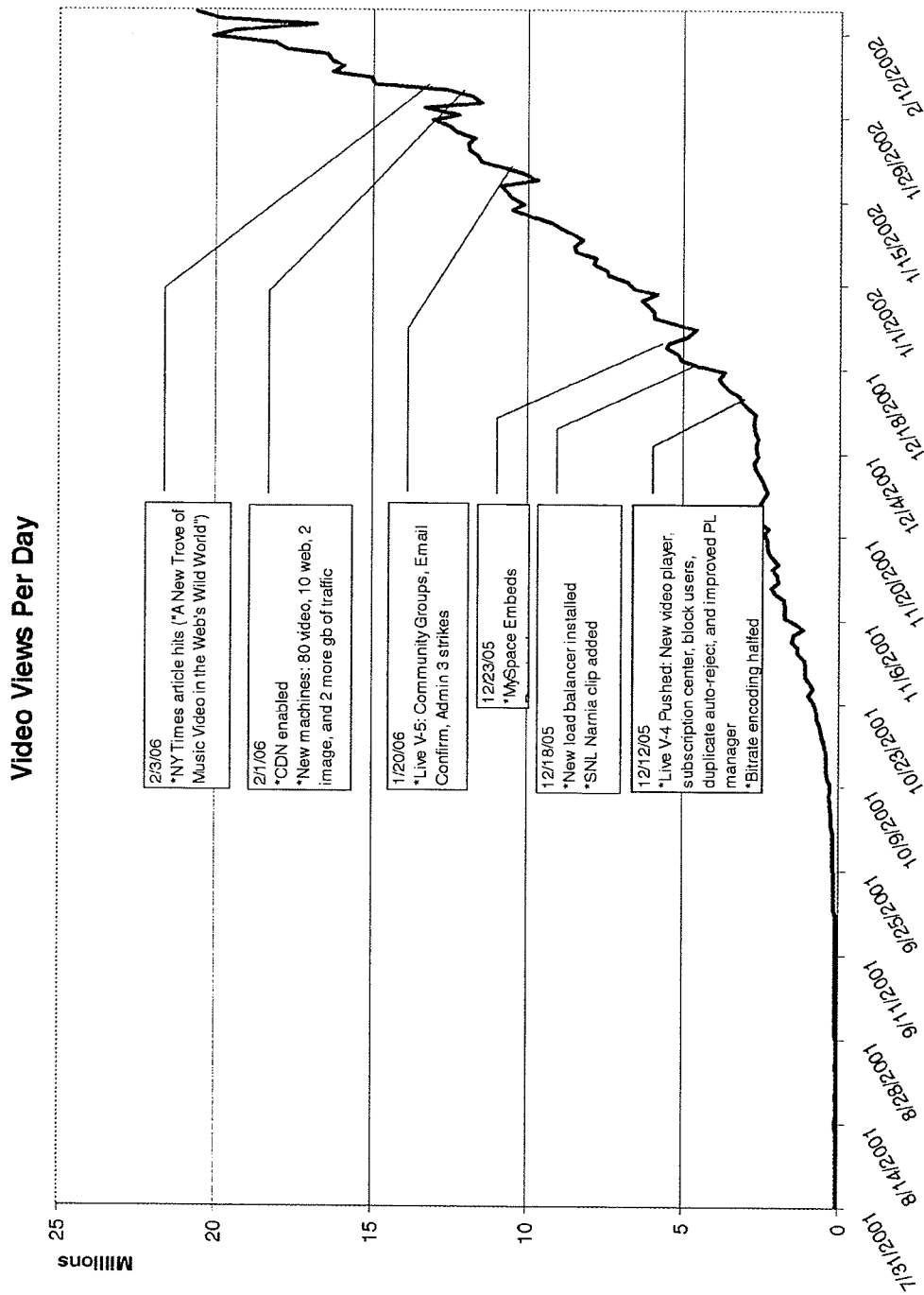


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YouTube Metrics:

Views exceeding 20 Million/Day



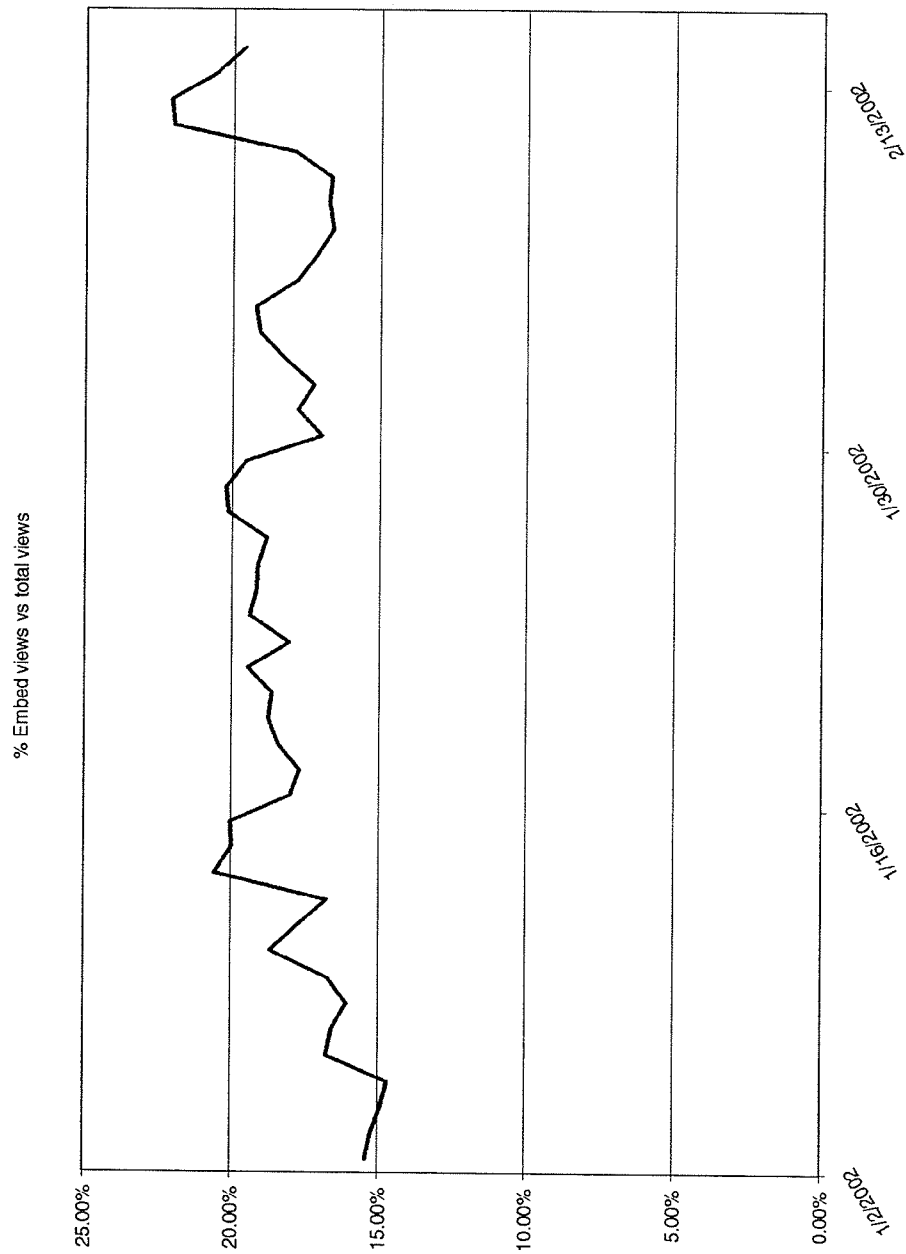
Source: YouTube data (Jan '06).

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YouTube Metrics:



Embed Views vs. Total Views



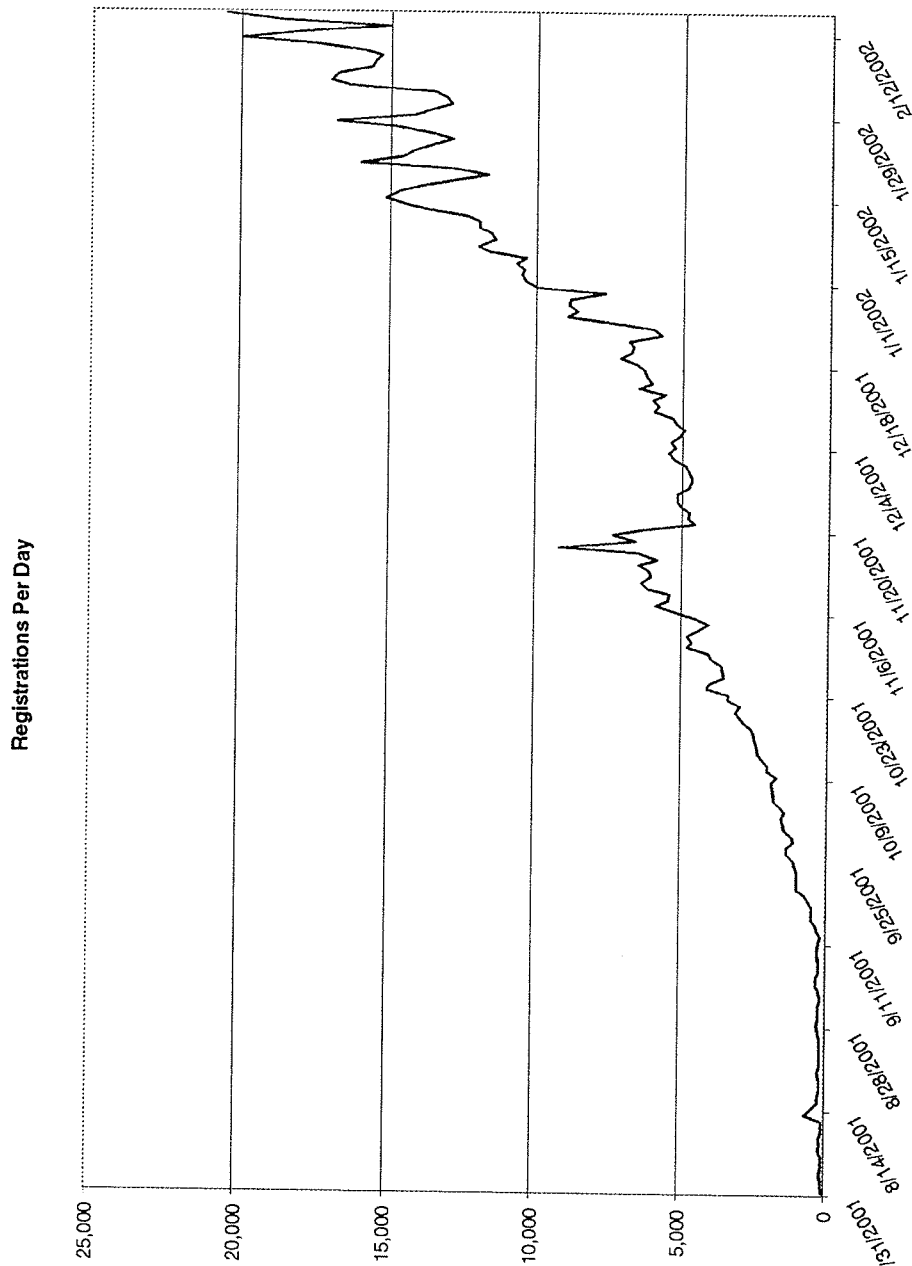
Source: YouTube data (Jan '06).

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YouTube Metrics:



Registrations Exceed 20,000/Day. Cumulative total 1.1 million



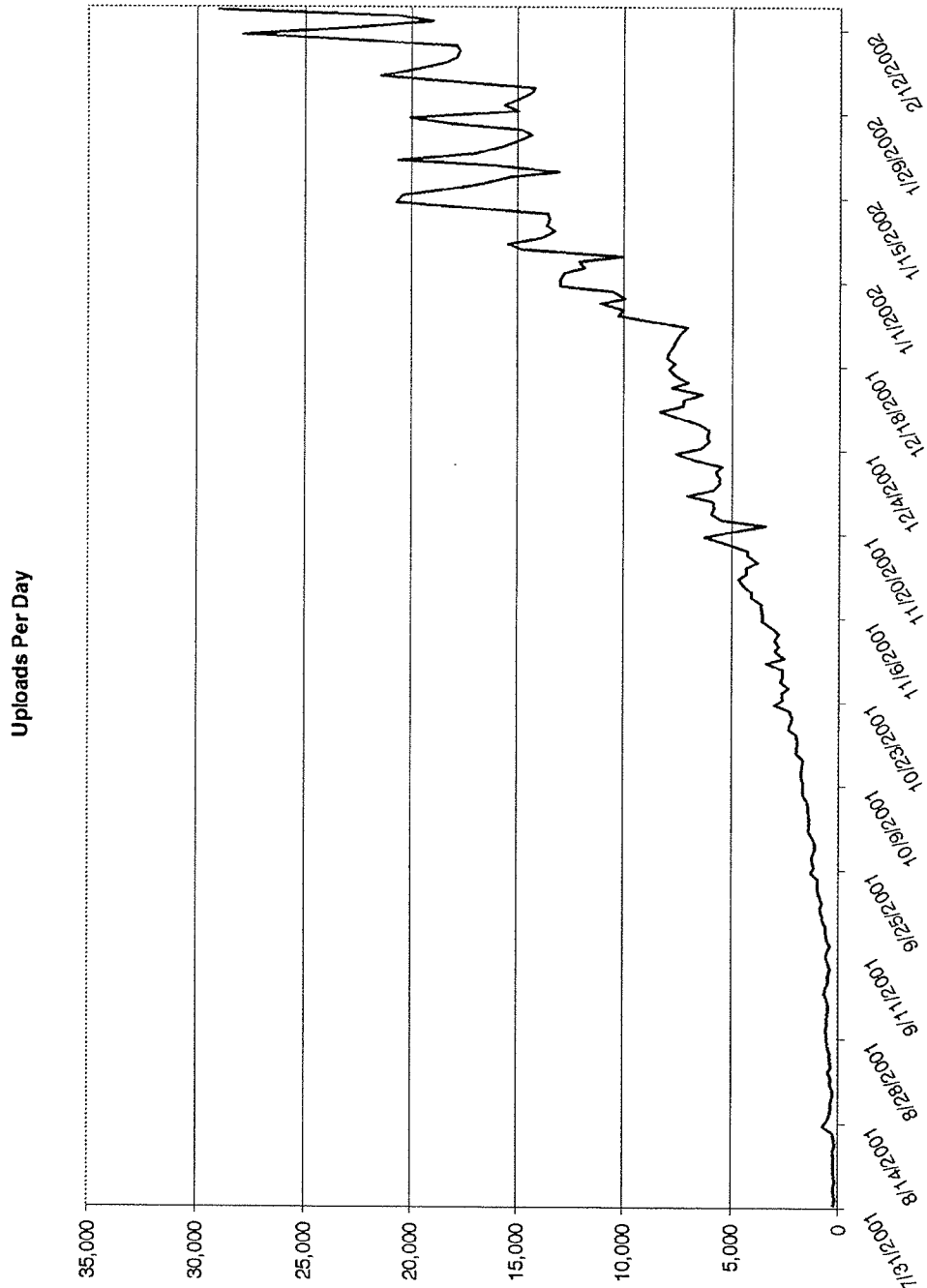
Source: YouTube data (Jan '06).

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YouTube Metrics:

File uploads exceeding 25,000/day. Cumulative Total 1.3 million



Source: YouTube data (Jan '06).

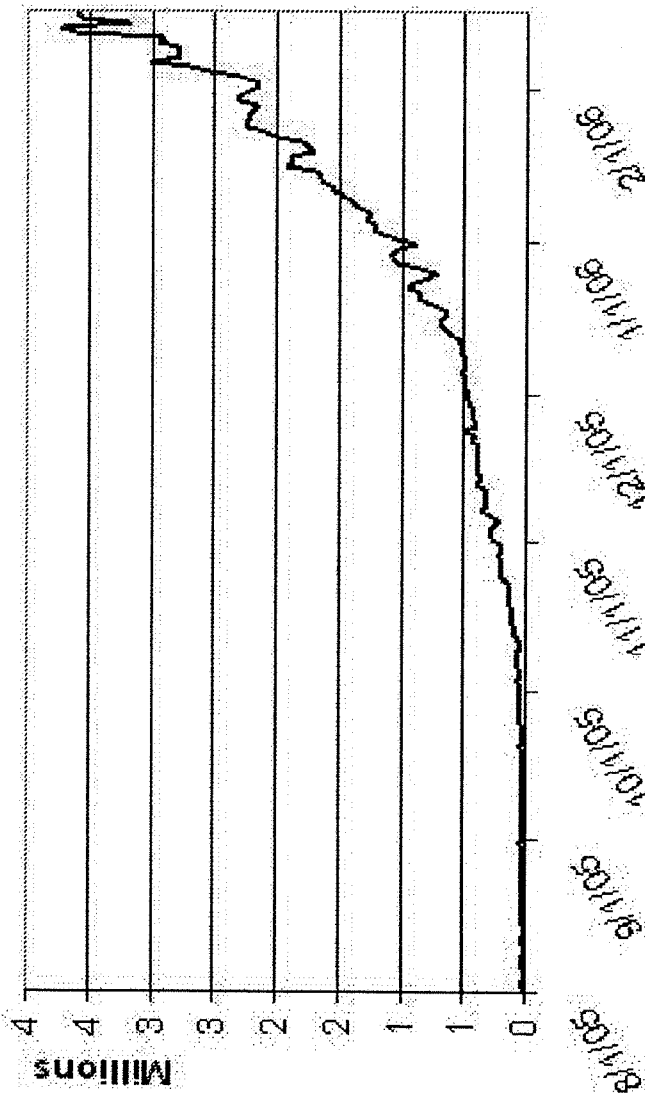
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YouTube Metrics:



Viewers exceeding 4 Million/Day

Viewers



Source: YouTube data (Jan '06).

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Product Accomplishments – live-v5 Release (1/19/06)



Increase registrations/logged in users

- ☒ Public/Private Videos
 - Make private videos only viewable by friends. Friends must be logged in to view.
- ☒ Sharing
 - Change sharing to html w/simple “Yahoo”-like UI. Adding page to add, edit and delete friends.
- ☒ Contacts Management
 - Created a contacts center for managing friends and creating contact lists.
- ☒ Plaxo Integration
 - Import email addresses from other email clients directly to YouTube address book

Increase video views

- ☒ Search/Sort
 - Advanced Search capabilities and sorting of results.
- ☒ RSS Page
 - Created an RSS ‘portal’ with feeds for all browse pages and custom feeds for tags and users. Integrated ‘Add to My Yahoo’ buttons

Product Accomplishments - live-v5 Release (1/19/06) cont.



Community development

- ☒ Public/Private Groups
 - Ability for users to create, moderate & join public & private groups. Groups contain discussion boards, videos and members
- ☒ About Us, Press, FAQ
 - Revise About Us Content. Update Press Releases, Media Coverage.

Community Moderation

- ☒ Admin Changes
 - Screening only flagged/private videos, Email Alert for flagged videos. Account suspension after 3 video rejections
- ☒ Email Confirmation
 - Users must confirm their email address before uploading.

Product Accomplishments – live-v6 Release (2/23/06)**Increase registrations/logged in users**

- ☒ Sharing
 - Continued improvement of Sharing UI. 'One Click' sharing functionality for logged in users.
- ☒ Private Videos
 - Share private videos only with selected friends or lists of friends.
- ☒ Creative Commons Integration
 - Ability to select creative commons licenses for videos
- ☒ Video Stats
 - View stats for your videos - breakdown of views, what playlists it's been added to, who has marked as a favorite
- ☒ Customizable Profiles
 - Custom skins, embedded videos, video bulletin boards, profile comments, connect with member actions.
- ☒ Premium Content Program
 - Registered Premium Content Providers can cobrand their video watch pages, profiles and groups with company logo and URL

Increase video views

- ☒ Playlists
 - Ability to continuously view all videos in a playlist, share playlist, embed playlist .

Product Accomplishments – live-v6 Release (2/23/06) cont.



Community development

- ☒ Members Tab
 - Replace 'Users' Tab w/ 'Members'. Advanced user search capabilities. Featured Members.
- ☒ Blog Enhancements
 - Self publish functionality for blog. Archive and permalink for previous blog entries.
- ☒ Featured Videos
 - Admin ability for featuring videos on the home page.

Community moderation

- ☒ Copyright Rejection
 - Ability to reject videos as copyright infringement. Automatic DMCA notification.
- ☒ Comment Controls
 - Ability for users to verify and approve video comments before they are posted.

Revenue

- ☒ Advertising
 - Changed page size to allow for leaderboard banners
- ☒ Expanded User Registration
 - Required more demographic information (location, age, gender) in registration form

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Product To Do's – live-v7 Release (mid March '06)



Increase registrations/logged in users

- ☐ Mobile Uploads
 - Allow users to upload video directly from their mobile phone to their YouTube account
- ☐ Profile Images
 - Ability to add photos to profiles
- ☐ Home Page Redesign
 - Redesign home page (logged in/out)
- ☐ Video Annotation (pop-up video)
 - Allow users to add a comment to a specific point in a video. Comment would 'pop up' when user gets to that point in the video
- ☐ Usability Testing
 - Conduct usability testing to get a baseline of how average users are using the site and determine ease-of-use for features.

Increase video views

- ☐ Search
 - More advanced search capabilities. Search within channels, location search for users and videos.
- ☐ Watch Page
 - Redesign watch page to better integrate all video actions, encourage member connections

Product To Do's – live-v7 Release (mid March '06) cont.



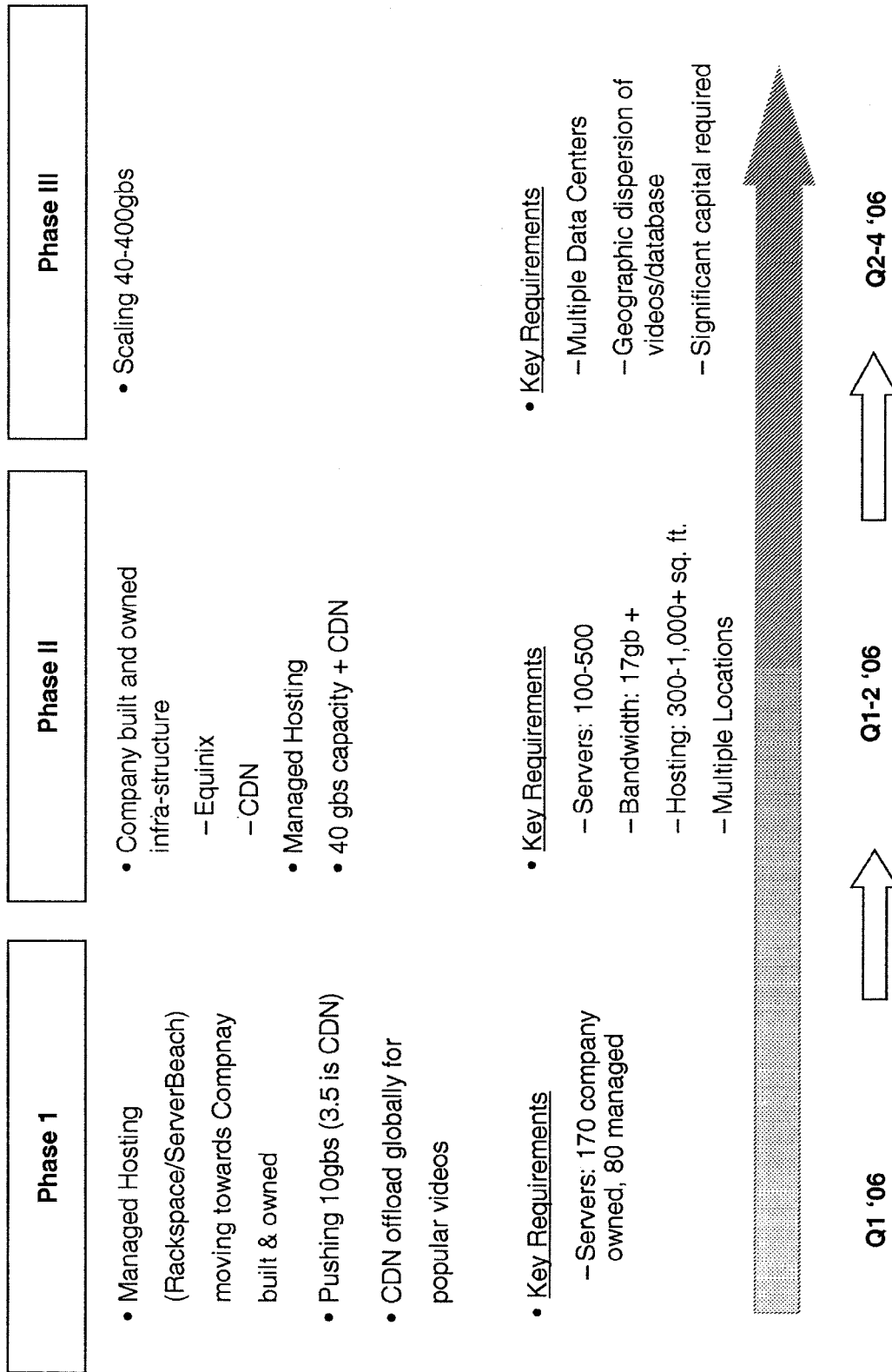
Community Development

- ☐ Tagging
 - Allow users to tag other user's videos (opt in), multi word tags.
- ☐ Channels
 - Redesign channels to promote featured videos, premium content videos, groups, users, contests. Create internal tools for Channels programming.
- ☐ Playlists
 - Ability to comment, rate and 'save' playlists. Add playlist tab with featured playlists, most popular etc.
- ☐ About Us
 - Expand About Us to include press kit, user quotes, blogger quotes

Community Moderation

- ☐ Admin Tool
 - Tracking, reporting capability. Ability to 'check out' groups of videos for review. Levels of admin privileges.
- ☐ Comment/Profile Flagging
 - Allow users to flag video comments and user profiles
- ☐ Premium Content Owner Tools
 - Allow designated premium content owners to perform batch flagging for copyright infringement. Ability to 'claim' content on the site.

Engineering Update: Network Build



Marketing Accomplishments – Jan/Feb ‘06



<div>PR</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Recent/current media interest and coverage: <ul style="list-style-type: none"> LIFE Magazine (insert into 70 newspapers Friday section, March 10), Forbes, Newsweek, WSJ, NPR – review on Fresh Air, USA Today, Mercury News, NY Times, SF Chronicle, San Diego Reader <input checked="" type="checkbox"/> PR efforts move into the mainstream media: <ul style="list-style-type: none"> Business press, regional papers, syndicated papers, broadcast (CNN, CBS), radio (NPR) <input checked="" type="checkbox"/> Utilizing grassroots influencers and bloggers <ul style="list-style-type: none"> Created comprehensive list of influential bloggers for watching and promoting (or intentionally leaking) YouTube activity <input checked="" type="checkbox"/> Press Releases <ul style="list-style-type: none"> Recent release with “Pretty Girls Make Graves” contest/Matador Records Working on release to announce YouTube 6 month growth metrics <div>Website</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> About Us Page <ul style="list-style-type: none"> Media coverage update 	<div>Conferences/Speaking Opportunities</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> PC Forum – Attending March 12-15; top-tier business press and CEO networking <input checked="" type="checkbox"/> Kelsey Group – Drilling Down on Local – panel opportunity 3/27 San Jose <input checked="" type="checkbox"/> Digital Hollywood – Bus/Dev partnership opportunity 3/28-3/29 LA <input checked="" type="checkbox"/> OnHollywood conference – May 2-4 LA (Chad on panel, bus dev, press opps) <input checked="" type="checkbox"/> Bear Stearns conference – panel/bus dev opportunity May 22-24 NY <div>Media Kit</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Basic version done for immediate inquiries. Needs improvement with a designer. <div>Ad Sales</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Initial list of about 150 top advertisers at MySpace, iFilm, Facebook, Friendster and other user gen content sites (low hanging fruit) <input checked="" type="checkbox"/> Agency interest/contact Starcom Mediavest re: Buena Vista/Touchstone Pictures, G4TV
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Marketing Accomplishments/To-Do's - Jan/Feb '06



User Insight/Data Capture - To Do

- ☒ Dashboard
 - Identifying key metrics for tracking usage, gauging improvement
- ☒ Demographic Data Capture
 - Begin collecting basic demo data upon registration (age, gender, country, zip code)
 - Design user surveys to capture more data for media kit and ad sales purposes
- ☒ Reviewing Reporting and analytics tools
 - Hitwise
 - Site Clarity

Initial Content Discussions

- ☒ Studios
 - Sony Pictures, Universal, Lion's Gate
- ☒ Broadcast & Cable Networks
 - NBC, MTV, VH1, Bravo Network
- ☒ Promotions/contests
- ☒ Ongoing content relationships

Programming - To Do

- ☒ Redesign to enable programming
 - Keeping content fresh/changing
 - Package, promote and make videos easier to find videos by category, genre, theme, brand
 - Themed programming calendar (Superbowl, Olympics, Oscars, etc.)
 - Programmed playlists (most popular playlist, best humor playlist, best sports playlist etc.)
 - Branded promotional content (on the set video blogs, behind the scenes, celebrity videos, TV clips, upcoming dvds, cds, movies etc.)
- ☐ Creative user content ideas (i.e. YouTube Open Mic, Battle of the Bands, Your Movie Premiere etc.)

Content Partnership Strategy

- ☒ Cooperation per copyright infringement
- ☒ YouTube as a promotional platform
 - Short form content, trailers, previews, clips
 - Unique, specialized cool (Nike etc.)
 - Support existing business/revenue streams

☒ Sell in claim your content opportunity to first movers - others will follow

BD Accomplishments – Jan./Feb. '06☒ Advertising

- Yahoo/Overture – In Discussions for beta program
- Syndicated Ad Partner: Discussions with Real, AOL, MSN, Lycos, Yahoo

☒ Distribution

- Video Sites: Discussions with Google & Yahoo Video
- Community/Blogs: Discussions with Myspace, Bebo, Facebook, LiveJournal
- Portals: Discussions with AOL, Microsoft, Amazon, Lycos, AskJeeves

☒ Content

- Music: Discussions with Beggars Group (Matador Records), Rollingstone.com, Warner, Universal, Sony/BMG, Barsuk Records
- News: Discussions with Reuters, AP, AFP, Weather.com
- Entertainment: Discussions with iHollywood.com, HBO, EA, Studio411

☒ Infrastructure

- In contract on ad serving platform (banners & pre-roll) - DoubleClick
- Implemented infrastructure for self-serve (e.g. AdBrite)

BD To Do's – February/March '06



☐ Advertising

- Re-engage with Ad networks (Tribal Fusion, FastClick)
- Add Advertising.com to network rotation
- Test Amazon & iTunes affiliates
- Direct ad/agency relationships: Universal McCann (\$20k), Mobile Sidewalk (\$10k), Osmosis (\$10k), Optimedia (tbd)
- Re-visit strategy for self-serve ad model
- Flesh out "claim your content" rev. share model

☐ Distribution

- Close major distribution deal (AOL, Lycos, Yahoo)
- Skype/AIM communication tool integration & distribution

☐ Content (ongoing evangelism, licensing, build rev-share model)

- Music: Target WMG, Sony, UMG, & EMI for more formal relationships
- News: Reuters, AP, AFP, Weather.com, TimeWarner
- Entertainment: iHollywood.com, Movies.com, HBO, EA, Getty Images

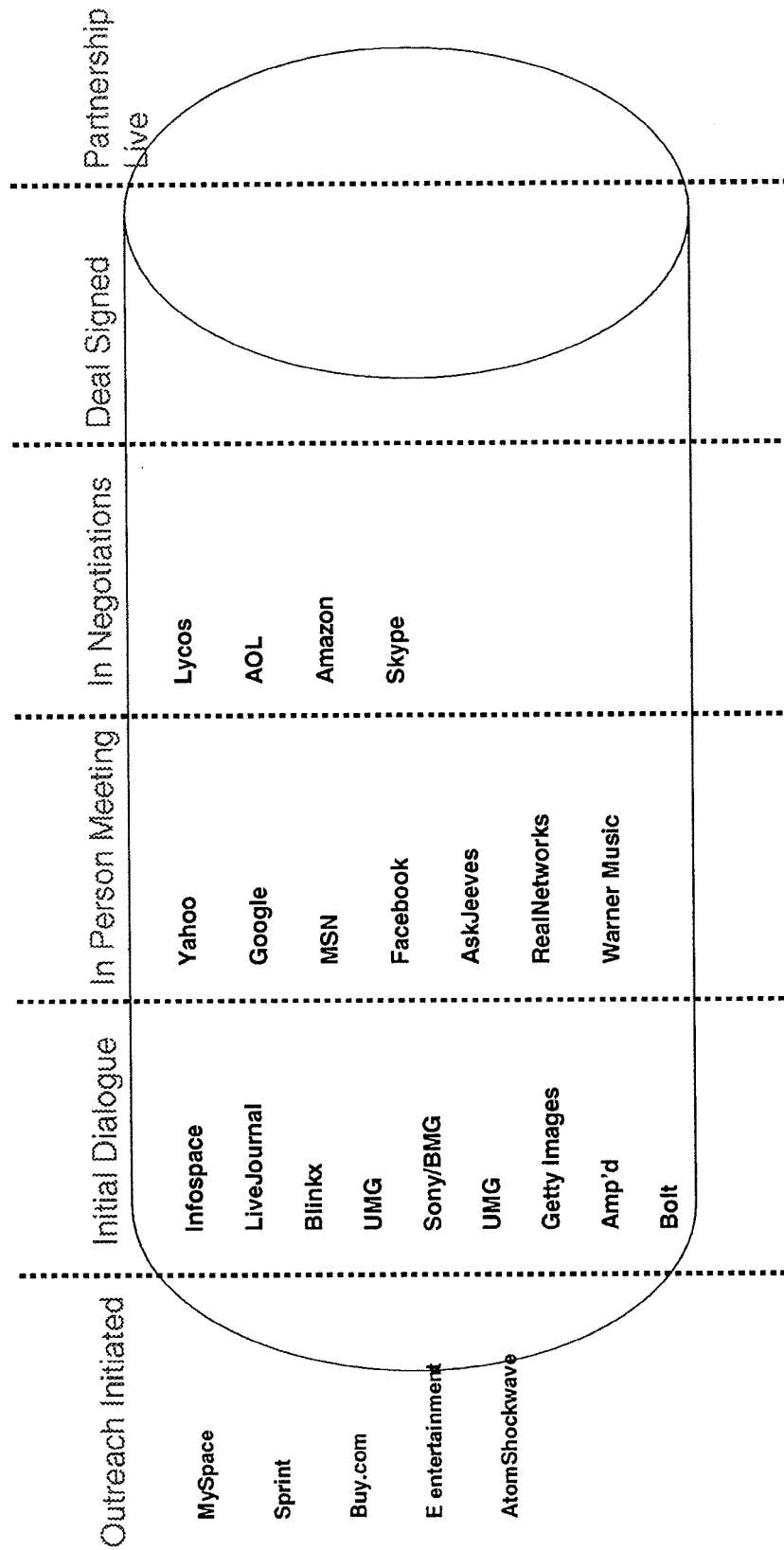
☐ Infrastructure

- Investigate CRM system (e.g. Salesforce.com, Siebel)
- Investigate Billing System for ad sales

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Business Development Pipeline



Series B Update



- ☐ Term Sheet Delivered
 - Expected close by 3/1/06